REMARKS

Applicants respectfully request reconsideration of the present U.S. Patent application. Claims 1-10, 13 and 25-34 stand rejected under 35 U.S.C. § 103. Claims 1, 2, 4, 10, 13, 25, 27 and 32-34 have been amended. Claims 3, 8, 26 and 30 have been canceled. No claims have been added. Thus, by this amendment, claims 1, 2, 4-7, 9, 10, 13, 25, 27-29 and 31-34 remain pending.

Claim Rejections - 35 U.S.C. § 103

Rejections of Claims 1-10, 13 and 25-34 based on Misra in view of Gradient

Claims 1-6, 8-10, 13 and 25-32 were rejected under 35 U.S.C. § 103 as being unpatentable over U.S. Patent No. 6,189,146 issued to Misra et al. (*Misra*) in view of Gradient, "Gradient Introduces End User Software License Creation and Delivery Tool For Its iFOR/LS Licensing Technology" (*Gradient*). Claims 3, 8, 26 and 30 have been canceled without prejudice. Therefore, the rejection of claims 3, 8, 26 and 30 as being unpatentable over *Misra* in view of *Gradient* is moot. For at least the reasons set forth below, Applicants submit that claims 1, 2, 4-7, 9, 10, 13, 25, 27-29 and 31-34 are not rendered obvious by *Misra* in view of *Gradient*.

Amended claim 1 recites the following:

generating, by a first computer, a first license for software installed on the first computer;

obtaining, by the first computer, from a second computer a second license for the installed software, wherein the second license is generated by the second computer;

determining, by the first computer, whether the second license is authentic; and replacing, if the second license is authentic, the first license with the second license.

Amended claim 13 is directed to a computer-readable medium and recites similar limitations. A proper rejection under 35 U.S.C. § 103 requires that a prior art reference, or references when combined, must teach or suggest all of the claim limitations of the rejected claim. See MPEP § 2143.

Misra discloses a software licensing scheme. See Abstract. A license generator creates a license pack containing one or more software licenses. See col. 2, lines 32-36. The license generator sends the license pack to a license server, and the license server distributes the license pack to individual clients. See col. 2, lines 52-54; col. 8, lines 35-38; col. 9, lines 29-36. An intermediate server acts as a go-between for a client and a license server. See col. 11, lines 37-38.

The intermediate server determines whether the client has a valid license. See col. 14, lines 2-5. If the client has an invalid license, the client is disconnected from the intermediate server. See col. 14, lines 10-11. If the client has a valid license, the client may connect with and use the resources of the intermediate server. See col. 14, lines 8-9. If the client does not offer a license or offers an expired license, the intermediate server requests a new license for the client from the license server. See col. 14, lines 11-13. If a new license is requested from the license server, the license server determines whether the client is authentic, and grants a new license if the client is authentic. See col. 15, lines 1-49. Misra does not disclose generating, by a first computer, a first license for software installed on the first computer, determining, by the first computer, whether a second license is authentic and replacing, if the second license is authentic, the first license with the second license.

Applicants agree with Examiner that *Misra* fails to disclose that a first computer generates the first license. See Office Action, page 3, lines 14-15. However, Examiner contends that *Gradient* discloses the ability to allow an end user to create a license and store the license on the end user's computer, and that it would have been obvious to one of ordinary skill in the art to modify *Misra* to include *Gradient*. See Office Action, page 3, lines 21-25.

Gradient discloses enabling "end users to create software licenses on their own system without outside intervention." See Page 1, second paragraph. An end user at a personal computer can create licenses that are installed within a licensing server, a department or a personal computer. See Page 1, fifth paragraph. Specifically, an end user chooses software for installation, from the screen of a software distribution utility. See Page 1, eighth paragraph. The software distribution utility communicates with a license delivery tool that obtains authorization and server information. See Page 1, eighth paragraph. The license delivery tool creates a valid license and delivers the license for installation, and the transaction is recorded for payment. See Page 1, eighth paragraph.

Gradient does not disclose generating, by a first computer, a first license for software installed on the computer, determining, by the first computer, whether a second license is authentic and replacing, if the second license is authentic, the first license with the second license. Thus, Gradient fails to cure the deficiencies of Misra. Therefore, Misra in view of Gradient fails to teach or suggest all the limitations of claims 1 and 13.

Furthermore, it is not obvious to modify Misra to include that which is disclosed in Gradient. Although an Office Action may suggest that an element of a primary prior

art reference *could* be modified to form the claimed structure, the mere fact that the prior art *could* be so modified would not make the modification obvious unless the prior art suggested the desirability of the modification (emphasis added). In re Laskowski, 871 F.2d 115, 10 USPQ2d 1397 (CAFC 1989). There must be some supporting teaching in the prior art for the proposed modification to be proper. In re Newell, 891 F.2d 899, 13 USPQ2d 1248 (CAFC 1989). *Misra* discloses a license generator creating a license pack, which contains licenses, that is sent to a license server, which distributes the licenses to clients. *Misra* does not teach or suggest, as disclosed in *Gradient*, having end users at personal computers create licenses, and doing so on their own systems without outside intervention.

For at least the reasons set forth above, claims 1 and 13 are not rendered obvious by *Misra* in view of *Gradient*. Applicants therefore respectfully request that the Examiner withdraw the rejection of claims 1 and 13 under 35 U.S.C. § 103.

Claims 2, 4-7, 9 and 10 depend from claim 1. Claims 25, 27-29 and 31-34 depend from claim 13. Because dependent claims include the limitations of the claims from which they depend, Applicants submit that claims 2, 4-7, 9, 10, 25, 27-29 and 31-34 are not anticipated by *Misra* for at least the reasons set forth above.

CONCLUSION

For at least the foregoing reasons, Applicants submit that the rejections have been overcome. Therefore, claims 1-10, 13 and 25-34 are in condition for allowance and such action is earnestly solicited. The Examiner is respectfully requested to contact the

undersigned by telephone if such contact would further the examination of the present application.

Please charge any shortages and credit any overcharges to our Deposit Account number 02-2666.

Respectfully submitted, BLAKELY, SOKOLOFF, TAYLOR & ZAFMAN, LLP

Date: <u>April 4, 2003</u>

Joseph A. Pugh Attorney for Applicant Reg. No. 52,137

12400 Wilshire Boulevard Seventh Floor Los Angeles, CA 90025-1026 (503) 684-6200

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